

## **IC 20-26-6**

### **Chapter 6. Treasurer and Accounting**

#### **IC 20-26-6-1**

##### **"Treasurer"**

Sec. 1. As used in this chapter, "treasurer" includes an assistant treasurer or a deputy treasurer.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-6-2**

##### **Mandatory implementation of accounting system**

Sec. 2. All public school governing bodies in Indiana shall adopt and fully and accurately implement a single, unified accounting system as prescribed by the state board and the state board of accounts.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-6-3**

##### **Treasurers and assistant or deputy treasurers; authority to designate or employ**

Sec. 3. (a) A public school must have a treasurer for purposes of this chapter. The superintendent or principal of the particular school or a clerk of the school corporation or member of the faculty appointed by the superintendent or principal shall be the treasurer. This designation must be made immediately upon the opening of the school term or the vacating of the treasurership. Claims shall be filed and paid under section 4 of this chapter. The employing or appointing officials of a school may appoint and engage a school treasurer or clerk.

(b) A school corporation may appoint one (1) or more assistant or deputy treasurers.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-6-4**

##### **Duties of treasurer**

Sec. 4. (a) The treasurer has charge of the custody and disbursement of any funds collected by a collecting authority and expended to pay expenses:

- (1) approved by the principal or teacher in charge of the school;
- (2) incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers);
- (3) that cost more than twenty-five dollars (\$25) during the school year; and
- (4) that are not paid from public funds.

The principal or teacher in charge of the school shall designate a collecting authority to be in charge of the collection of any funds described in this subsection. Upon collection of any funds, the collecting authority shall deliver the funds, together with an accounting of the funds, to the custody of the school treasurer. The

principal may designate different collecting authorities for each separate account of funds described in this subsection.

(b) The treasurer shall keep an accurate account of all money received by the collecting authority and expended, showing the sources of all receipts and the purposes for which the money was expended and the balance on hand. A copy of the report shall be filed with the township trustee, board of school trustees, or board of school commissioners, not more than two (2) weeks after the close of each school year, together with all records and files of extracurricular activities.

(c) However, in a school that has two (2) or more semesters in any one (1) school year, the treasurer of the school shall file a copy of the treasurer's financial report of receipts and disbursements with the township trustee, board of school trustees, or board of school commissioners, not more than two (2) weeks after the close of each semester. Records and files of extracurricular activities for the entire school year shall be filed with the last financial semester report of any one (1) school year.

(d) A copy of the report shall be filed with and kept by the city superintendent having jurisdiction and the county superintendent where the superintendent has jurisdiction. These records are permanent records for five (5) years, after which time they may be destroyed.

(e) A treasurer is not personally liable for an act or omission occurring in connection with the performance of the duties set forth in this section, unless the act or omission constitutes gross negligence or an intentional disregard of the treasurer's duties.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-6-5**

##### **Treasurer's bond**

Sec. 5. (a) The treasurer shall give a bond in an amount fixed by the superintendent and principal of the school approximating the total amount of the anticipated funds that will come into the hands of the treasurer at any one (1) time during the regular school year. Bonds shall be filed with the trustee or board of school trustees. The surety on the bonds must be a surety company authorized to do business in Indiana. However, the requirement for giving the bond and the requirement to deposit the receipts in a separate bank account, as required in section 6 of this chapter do not apply in any school for which the funds, as estimated by the principal, will not exceed three hundred dollars (\$300) during a school year.

(b) The requirements of this chapter may be fulfilled by the providing of a comprehensive bonding instrument, including a single blanket position bond, for all extracurricular treasurers. A comprehensive bonding instrument shall be acceptable instead of individual separate personal position bonds.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-6-6**

**School extracurricular account**

Sec. 6. (a) The treasurer shall deposit all receipts in one (1) bank account. The receipts shall be deposited without unreasonable delay. The account is known as the school extracurricular account. The records of each organization, class, or activity shall be kept separate so that the balance in each fund may be known at all times.

(b) The money in the school extracurricular account may be invested under the conditions specified in IC 5-13-10 and IC 5-13-10.5 for investment of state money. However, investments under this section are at the discretion of the principal. The interest earned from any investment may be credited to the school extracurricular account and need not be credited proportionately to each separate extracurricular fund. The interest earned from the investment may be used for any of the following:

(1) A school purpose approved by the principal.

(2) An extracurricular purpose approved by the principal.

(c) Amounts expended under this section for the purposes described in this section are in addition to the appropriation under IC 20-26-5-4(3).

*As added by P.L.1-2005, SEC.10.*

**IC 20-26-6-7****Records; form; examination by state board of accounts**

Sec. 7. All forms and records for keeping the accounts of the extracurricular activities in school corporations shall be prescribed or approved by the state board of accounts. The records and affairs of the extracurricular activities may be examined by the state board of accounts when in the judgment of the state examiner an examination is necessary. The forms prescribed or approved for keeping these accounts must achieve a simplified system of bookkeeping and shall be paid for, along with the bond required in this chapter, from the special school fund. The funds of all accounts of any organizations, class, or activity shall be accounted separately from all others. Funds may not be transferred from the accounts of any organization, class, or activity except by a majority vote of its members, if any, and by the approval of the principal, sponsor, and treasurer of the organization, class, or activity. However, in the case of athletic funds:

(1) approval of the transfer must be made by the athletic director, who is regarded as the sponsor; and

(2) participating students are not considered members.

All expenditures shall be subject to review by the local school board.

*As added by P.L.1-2005, SEC.10.*